

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

U. S. Ordnance Inc.

Nevada Industry Excellence

U. S. Ordnance Adds Nevada Industry Excellence to Its Continuous Improvement Arsenal

Client Profile:

U. S. Ordnance, located in Reno, Nevada, manufactures the M60 series of machine guns and the M2HB .50 caliber machine gun. U. S. Ordnance is Nevada's second largest private defense contractor, manufacturing 60 percent of the M60 weapons system. The company employs 25 people.

Situation:

Increased demand for existing products and opportunities to produce new weapons systems created a need for expanded manufacturing capabilities at U.S. Ordnance. Production volumes were anticipated to triple over the course of the next year, and the company wanted to ensure that this growth was managed effectively, while maintaining stringent quality requirements and the ability to respond instantly to the unique needs of their customers. Paul Davidson, Quality Assurance Representative, contacted Nevada Industry Excellence (formerly known as Nevada Management Assistance Partnership), a NIST MEP network affiliate, to assist U. S. Ordnance in their expansion and continuous improvement efforts. Nevada Industry Excellence's initial discussions with U. S. Ordnance identified several key areas where Nevada Industry Excellence services could be of immediate assistance: a) ISO 9001:2000 certification; b) low cost financing for capital expansion; c) identifying and obtaining Nevada business expansion incentives; d) MilTech-sponsored grant funding; and e) manufacturing process development, equipment design and plant layout.

Solution:

Nevada Industry Excellence assembled a team of experts to address the diverse business needs of U. S. Ordnance. Doug Anton of AEM Consulting was brought in to lead the ISO 9001:2000 certification effort. Bob Bricca, Nevada Industry Excellence Program Manager, had worked with a number of Nevada companies to secure state sponsored bond financing for their capital expansion projects. Bob identified the bond program to U. S. Ordnance and is currently assisting them with the application process to finance their land acquisition and facility construction. Rene Zandonella, a Nevada Industry Excellence Project Manager, provided U. S. Ordnance with information on several state sponsored business expansion incentive programs and assisted them with the application process. He also helped the company obtain a Federal grant from MilTech (MilTech is a partnership between TechLink and the Montana Manufacturing Extension Center) to help fund their improvement efforts. U. S. Ordnance is drawing on Nevada Industry Excellence expertise to optimize the layout of their new manufacturing facility and to help with the selection of equipment and processes.

Results:

* Achieved ISO 9001:2000 certification.

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- * Anticipated cost savings of \$800,000 in interest charges.
- * Reduced expansion costs by over \$300,000.
- * Anticipated increase in productivity by 20 percent.
- * Anticipated reduction in initial investment costs by 30 percent.

Testimonial:

"Partnering with Nevada Industry Excellence has had a tremendous positive impact on our business processes. We achieved ISO certification in record time, we received MilTech grant funding to continue our product improvement process, and we are offsetting the cost of our expansion via bond financing and tax abatements. Nevada Industry Excellence has helped to make this all possible."

Norman Justice, President